

# Chelmsford City Council - Audit and Risk Committee

**28th January 2026**

---

## Annual Procurement Report

---

### Report by:

Financial Services Manager (s151)

---

### Officer Contact:

Emma Till, Procurement Manager, Email: [emma.till@chelmsford.gov.uk](mailto:emma.till@chelmsford.gov.uk) Tel: (01245) 606774

---

### Purpose

- 1.1. The report identifies recent procurement activity, current and planned workloads and provides an update on the team's involvement in LGR and the legal procurement framework.

### Recommendations

1. Committee note the report and contents.
- 

### 1. Introduction

- 1.2. The Procurement Team supports the Council's purchases of a wide range of Goods, Services and Works in line with the Procurement Act 2023, Public Contract Regulations 2015 and the Council's internal contract procedure rules. The Council let contracts totalling over £14,000,000 for procured goods and services between 1<sup>st</sup> January and 31<sup>st</sup> December 2025.

- 1.3. This report identifies the following:

- Overview of Procurement activities, savings and achievements undertaken by the procurement team since last reported to the committee
- Overview of the implementation of the Procurement Act 2023 introduced on 24th February 2025 within the Council's Procurement Processes
- The approach to review compliance with procurement rules and the further develop of the Council's Contracts register. This will support better practice and LGR
- Summary of planned activities for 2026

## 2. 2025 Procurement Achievements

2.1. Between the period of 1<sup>st</sup> January and 31<sup>st</sup> December 2025 the procurement team undertook 26 procurement processes for the Council and 14 of these contracts were awarded to SMEs.

2.2. Examples of achievements by Procurement working with services at Chelmsford during 2025

- A tender process for the provision of HVO fuel after expiry of the existing contract. The Council was able to achieve cost savings of up to 20-30 pence per litre via switching pricing methodology used.
- The Procurement team led on the tender process for the Council's CCTV capital works and maintenance programme via a joint process alongside both Maldon District Council and Epping Forest District Council. The Social Value commitment provided by the winning bidder led to the supplier donating to a local foodbank located within Chelmsford.
- A Procurement process was undertaken to replace the Council's current Wi-Fi provider. As a result of the tender process the new supplier selected should enable the Digital Services team to implement a more efficient Wi-Fi service for all Council staff on site.
- A Procurement process was undertaken to replace the Council's cashless parking equipment across several Council car parks. The procurement process supported the Parking Team's requirements for a more innovative solution making use of automated number plate recognition cameras and more efficient solutions for disabled badge holders.
- The Procurement Team led on the renewal of the Council's HR & Payroll software system alongside the Council's Master Vendor contract for the provision of operational staff to ensure continuity of services.

- The Procurement Team continue to provide full procurement activities for Uttlesford District Council via a shared service. Across both Authorities the team have carried out a total of 48 procurement processes alongside the continued provision of strategic advice. An increased fee and inflation proposal was negotiated under the contract for the next 3 years.
- Social value was used within the evaluation process of 5 tender processes with weightings of 10%. This enabled the Council to award higher scores within the tender process to those contractors with more social value initiatives in place. This is consistent with the Social Value input from previous years.

### 3. Legislation – Implementation of the Procurement Act 2023

3.1. The Procurement Act came into force on the 24<sup>th</sup> February 2025. The Act replaced the Public Contracts Regulations 2015, the Concessions Contracts Regulations 2016 and the Utilities Contracts Regulations 2016.

Amount £s	Process
5k and above	Requirement for the contract to be recorded on the contracts register.
Up to 25k	3 quotes recommended and evidence held by service
25-50k	3 quotations with procurement notified prior to the process being undertaken
50k-100k	Procurement to run quotes/tender/framework process
100k+	Procurement team involvement required Route to Market Assessment to be carried out and procurement team will manage the procurement

3.2. In response to this the Procurement team have revised all Council template documentation, including the Council's contract procedure rules and legal documentation to reflect changes required under the Procurement Act 2023. Some further changes were made to the Council's contract procedure rules to ensure compliance with reporting requirements; updated outline limits on spend and delegations throughout the organisation can be found in the below table:

3.3. The Procurement team also successfully carried out several online training sessions to provide guidance to staff members who are regularly involved within the procurement process. Positive feedback on these sessions was received.

3.4. The Procurement team have carried out three single stage above-threshold tender processes under the new set of regulations (further processes have been carried out for Uttlesford District Council) with a further two set to be published in early January. The Council also regularly uses framework agreements.

3.5. Under the new regulations these procurement processes were subject to:

- Use of the new Procurement template documents designed by the team (e.g. invitation to tender, form of tender declaration feedback forms etc)

- The publication of an increased number of notices on the central digital platform.
- The new standstill period of 8 working days
- Additional supplier check including checks on the debarment list and registrations to the central digital platform
- A requirement for increased feedback for the successful and unsuccessful suppliers.

3.6. The Waterside Development is being procured via the new act with the use of a competitive flexible procedure, led by external legal and property advisors with support from the Procurement team. The lead advice for legal and procurement support has been outsourced due to specialised and risk nature of the project.

3.7. Secondary legislation under the Act required from 2026 onwards will require the Procurement team to publish additional information on the central digital platform. The procurement team will need to deliver the following:

- Payment compliance notice – the extent to which, over a reporting period of 6 months, the contracting authority has paid its invoices within the given time frame for above-threshold contracts.
- Contract payment notice – information on individual payments over £30k for above-threshold contracts.

3.8. The current Procurement Goods, Services and Works thresholds have recently reduced under the act to reflect changes in currency rates. The new thresholds from the 1<sup>st</sup> of January 2026 can be found within the table below. All figures include VAT. The change may increase the number of Council contracts that are considered above-threshold contracts.

<b>Contract Value Period</b>	<b>Goods Contracts</b>	<b>Service Contracts</b>	<b>Light Touch regime Contracts</b>	<b>Works Contracts</b>	<b>Concession Contracts</b>
1 Jan 2024 – 31 Dec 2025	£214,904	£214,904	£663,540	£5,372,609	£5,372,609
1 Jan 2026 – 31 Dec 2027	£207,720	£207,720	£663,540	£5,193,000	£5,193,000

#### 4. LGR & Compliance Update ongoing work

4.1. The Council's Procurement Manager has been a regular attendee at the Essex Procurement LGR workstream.

4.2. To ensure the Council are in the best position for LGR going forward the Procurement Team are currently undertaking a Council wide review of the contracts register and Council spend compliance.

4.3. The Procurement team have started approaching all services across the Council to collect all contract data that is not currently held on the Council's contract system. This exercise has many benefits and will enable the Council to have a better

understanding of potential collaboration opportunities with upcoming LGR partners once announced. The process will also ensure compliance with transparency reporting regulations.

4.4. All newly identified contracts will be added to the Council's contract register via the OneCouncil system. The system only currently holds recent contracts awarded via the Procurement Team. Contracts of a lower value or contracts that pre-date the OneCouncil system are not currently held centrally.

4.5. Once an up-to-date contracts register has been established a further review will be carried out on Council wide spend to help identify any non-compliance. The contracts register will help inform spend which has not gone through a compliant procurement process as required under the Procurement Act 2023. The Procurement Team have already identified several areas of concern including:

- PPE Spend
- Construction consultancy services
- Council-wide cleaning supplies

4.6. Once formally identified the Procurement team will address any non-compliance and assess options available to remedy this.

4.7. The decision by Government on the configuration of Unitary Councils in Essex is expected to be followed by restrictions on entering into new contracts. Past experience indicates these restrictions are likely to affect:

- land disposals worth more than £100,000,
- entering contracts of more than £1,000,000 for capital; and
- entering contracts of more than £100,000 for non-capital (whole life costs).

without the agreement of the merging or successor shadow authority. It will be necessary to develop new working practices and controls to comply with the restrictions

4.8. The Procurement team will be seeking additional temporary resource to support its work this year. Funding is likely to come from a reserve for LGR implementation that will be proposed in the budget.

## 5. Planned activities for 2026

5.1. Review and renewal of several of the Council's other high-value contracts coming to an end including contracts covering:

- Merchant acquiring services
- Rural verge grass-cutting services
- Play Area Resurfacing Framework
- Arboricultural Services Framework
- Temporary Accommodation

5.2. Review and update to the Council's Procurement Strategy and Social Value policy.

5.3. Review and update to the Council's staff Procurement Manual

5.4. After completion of the reviews of the contract register and compliance, it is planned for Internal Audit to review the key procurement processes at the Council. The target for the audit is in the 2<sup>nd</sup> half of 2026.

#### List of appendices:

#### Background papers:

Social Value Procurement Policy

Procurement Strategy 2020 – 2025

#### Corporate Implications

Legal/Constitutional: New procurement rules must be complied with.

Financial: As detailed

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: Procurement of supplies and equipment necessary to achieve plan.

Personnel: None

Risk Management: None

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

#### Consultees:

Management Team

Relevant Policies and Strategies:

Procurement Strategy

Social Value Procurement Policy